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# Council On Affordable Housing

## NEWSLETTER

September/October 2004

### Greetings from DCA Commissioner and COAH Chair Susan Bass Levin

Here at the Council on Affordable Housing, we are committed to public participation in every aspect of our work.

Throughout the month of September, COAH held four Public Hearings on its repropoed third round methodology and rules. We received valuable feedback and comments from people throughout the state at each of these meetings. I thank you for your participation.

Also in September, COAH voted to propose a new rule amending its procedure for extending municipalities' second round certifications.

On August 31, the Appellate Court upheld COAH's authority to grant extended substantive certifications, thereby ensuring that municipalities continue to be protected from builder's remedy lawsuits. Just one week later, at its September 8 meeting, the COAH board proposed new rules on extended substantive certifications to allow the public an opportunity to provide comments.

The new rule will go into effect on October 13, 2004 as an emergency rule adoption. The new rule will also be published in the November 1, 2004 edition of the New Jersey Register and the comment period will be open until December 1, 2004. We encourage your comments and suggestions, so that we can continue to ensure compliance with the terms of participating municipalities' second round substantive certifications.

Public participation is the key to creating an affordable housing system that works for all of New Jersey's hardworking families and individuals. We appreciate your participation in the Public Hearings and your participation in the extended substantive certification process.

We look forward to hearing from you.

Susan Bass Levin  
Commissioner

## COAH Proposes New Rule On Extended Substantive Certifications

At the October 13, 2004 meeting, COAH voted to propose changes to N.J.A.C. 5:91-14.3, which provides revised procedures for extending municipalities' second round substantive certifications. An Appellate Division decision released on August 31, 2004 upheld COAH's authority to grant extended substantive certifications. However, the decision also directed COAH to amend its rules within 60 days to provide an opportunity for public comment on the extended substantive certifications and a principled review of the petition for extended substantive certification. The decision stated that the amended rule will apply to all municipalities that have already received extended substantive certification as well as all municipalities with second round substantive certifications that will expire within one year from the effective date of the third round rules. The rule will be published as an emergency rule and will be effective on October 14, 2004. A concurrent rule proposal will be published in the November 1, 2004 edition of the New Jersey Register and will be open for a 30-day public comment period until December 1, 2004.

Written comments on the new rule can be submitted:

Electronically to: [COAHmail@dca.state.nj.us](mailto:COAHmail@dca.state.nj.us)

Or by mail (with disk in Word format) to:

**Lucy Voorhoeve**

**Executive Director**

**New Jersey Council on Affordable Housing**

**P.O. Box 813**

**Trenton, NJ 08625-0813**

## Substantive Certifications

At its September 8, 2004 meeting, the Council on Affordable Housing (COAH) granted substantive certification to High Bridge Borough (Hunterdon County), and interim substantive certification to Little Egg Harbor Township (Ocean County), Neptune Township (Monmouth County), and Norwood Borough (Bergen County). Interim substantive certifications are granted to municipalities who petitioned COAH after June 6, 2000 and are valid until one year after the effective date of the third round rules.

**High Bridge Borough** petitioned COAH on February 26, 1997 and was granted substantive certification and a  
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waiver of COAH's minimum costs on rehabilitation. The borough has an obligation of 51 units, consisting of 24 rehabilitation units and 27 new construction units. High Bridge addressed its new construction obligation with 34 family for-sale units and five prior cycle credits, resulting in a surplus of 12 new construction units. High Bridge satisfied its rehabilitation obligation through six rehabilitation credits and 18 credits without controls. High Bridge requested a waiver of COAH's regulations on an \$8,000 minimum hard cost for each rehabilitated unit. High Bridge spent an average of \$7,400 per unit and five of the six units were within one building.

**Little Egg Harbor Township** petitioned COAH for substantive certification on January 27, 2003 and was granted interim substantive certification. Little Egg Harbor addressed its 1987-1999 cumulative fair share obligation of 225 units, consisting of 195 new construction units and 30 rehabilitation units, through 50 prior cycle credits for a HUD Section 221 housing development, 36 credits and 36



rental bonuses for a rental complex known as Harbor House, 104 credits for an apartment complex known as Royal Timbers, 12 rehabilitation credits for units previously rehabilitated and an 18-unit rehabilitation program through Ocean County's ongoing rehabilitation program. The Township's plan produces a 31-unit new construction surplus that may be credited toward the Township's third round obligation.

**Neptune Township** petitioned COAH for substantive certification on March 26, 2003, and was therefore also granted interim substantive certification. Neptune addressed its 1987-1999 cumulative fair share obligation of 23 units, consisting entirely of rehabilitation, through

23 credits for units previously rehabilitated under Monmouth County's ongoing rehabilitation program. Additionally, the Township has committed to rehabilitating additional units within the Township.

**Norwood Borough** petitioned COAH for substantive certification on April 7, 2003, and was granted interim substantive certification. Norwood has a fair share obligation of 119 units, consisting of 118 new construction units and a one-unit rehabilitation obligation, which is reduced to a 47-unit Realistic Development Potential (RDP) and a one-unit rehabilitation obligation due to a vacant land adjustment. The Borough addressed its 47-unit RDP with 22 prior-cycle credits, 24 new construction credits, and a 23-unit Regional Contribution Agreement (RCA) with Passaic City for a total of 69 credits. Norwood will address both its one-unit rehabilitation obligation and its unmet need through an existing development fee ordinance and through surplus credits over its RDP.

## New Guide to Affordable Housing!



The Department of Community Affairs Division of Codes & Standards has released the 2004 Edition of the Guide to Affordable Housing in New Jersey. To find out about specific affordable housing units in your area, use the link to the Guide on COAH's website!

## Upcoming Publication of COAH's Annual Report!



COAH is in the process of compiling its 2002/2003 annual report. If you would like to be placed on a mailing list to receive a copy of the report when it is published, please contact Larissa Gunder at (609)-633-9575 with your request.

## Ocean County Amends Rehabilitation Program Guidelines

The Ocean County Housing Rehabilitation Program has taken great initiative by amending its guidelines to allow for 1-4 family rental units to be included in the program. COAH's rules at N.J.A.C. 5:93-5.2(f) and repropoed rules at N.J.A.C. 5:94-4.3(d) both state, "rental units may not be excluded from a municipal rehabilitation program." However, most County rehabilitation programs do not allow a provision for rehabilitating rental units, resulting in municipalities being required to establish separate provisions for rental units. COAH encourages county programs, which are generally funded by federal CDBG and HOME funds, to follow Ocean County's lead and amend their guidelines to include rental units.

## Public Hearings on COAH's Reproposed Third Round Rules

The Council on Affordable Housing (COAH) held public hearings on the reproposal of the third round rules throughout the month of September. COAH was pleased to hear from many

interested members of the public. Below are pictures of some of the participants at the hearing held on September 8, 2004 in Trenton.



*Arnold Cohen from the Housing and Community Development Network of New Jersey.*



*Erin Hallik from Catholic Charities Emergency Services.*



*Mary Ellen Marino from the Mercer Alliance to End Homelessness.*

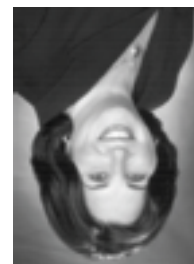
# DID YOU KNOW?

When a municipality is granted substantive certification, as part of its affirmative marketing plan, it must designate a housing officer who is qualified to administer a portion or all of the affordable housing units in the municipality's fair share plan, and/or act as a liaison to any contracting agencies that also administers the units. (See COAH's regulations at N.J.A.C. 5:93-9.1, 11.2.) COAH recommends that the housing officer be identified by municipal title in the Fair Share Ordinance. The housing officer serves as the municipality's liaison to COAH, and must be able to direct COAH to all the contracting agencies or municipal administrators, as well as the persons or

agencies who complete COAH's annual monitoring reports for affordable units and development fees. Municipalities must maintain up to date information regarding the housing officer's name and contact information, as well as all outside administrators contracted by the municipality, and should provide this information to COAH in the annual monitoring reports. Regardless of what person or agency administers the affordable units in a municipality's fair share plan, all certified municipalities must have a designated in-house housing officer.



**Susan Bass Levin**  
Commissioner  
NJ Department  
of Community Affairs



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